

KeySpan Corporate Services LLC

SERVICE AGREEMENT

This Service Agreement ("Agreement") dated as of January 1, 2002 by and between KeySpan Corporate Services LLC ("KCS"), a New York limited liability company and KeySpan Corporation, KeySpan Gas East Corporation d/b/a KeySpan Energy Delivery Long Island, The Brooklyn Union Gas Company d/b/a KeySpan Energy Delivery New York, KeySpan Generation LLC, KeySpan Electric Services LLC, KeySpan Services, Inc., KeySpan Energy Development Corporation, KeySpan Ravenswood Services Corp., KeySpan Energy Trading Services LLC, Boston Gas Company d/b/a KeySpan Energy Delivery New England, Colonial Gas Company d/b/a KeySpan Energy Delivery New England, Essex Gas Company d/b/a KeySpan Energy Delivery New England, EnergyNorth Natural Gas, Inc. d/b/a KeySpan Energy Delivery New England, Midland Enterprises, Inc., The Houston Exploration Company, KeySpan Utility Services LLC and KeySpan Engineering & Survey Inc., KeySpan - Glenwood Energy Center, LLC, KeySpan - Port Jefferson Energy Center, LLC (individually a "Client Company" and collectively, the "Client Companies"). KCS and the Client Companies may each be referred to herein as a "Party," and collectively referred to herein as the "Parties."

WITNESSETH:

WHEREAS, KCS is a wholly owned subsidiary of KeySpan Corporation ("KeySpan") which is a registered holding company under the Public Utility Holding Company Act of 1935, as amended (the "Act");

WHEREAS, the Securities and Exchange Commission (the "SEC") has approved and authorized KCS as a service company pursuant to Section 13(b) of the Act and the SEC regulations promulgated thereunder to provide services to KeySpan and its subsidiaries; and

WHEREAS, KCS and the Client Companies desire for KCS to provide, and the Client Company to accept, the services provided for hereunder in accordance with the terms of this Agreement.

NOW THEREFORE, in consideration of the mutual representations, covenants and agreements hereinafter set forth, and intending to be legally bound hereby, the Parties hereto agree as follows:

ARTICLE 1
SERVICES

1.1 Services Offered. Exhibit I to this Agreement describes the services that KCS offers to furnish to a Client Company (in accordance with the terms and conditions set forth herein) upon written request of such Client Company. In addition to the services described in Exhibit I hereto, KCS may also provide a Client Company with such special services, as may be

requested by such Client Company in writing, which the Service Company concludes it is able to perform. In supplying services hereunder to a Client Company, KCS may arrange, where it deems appropriate, for the services of such experts, consultants, advisers and other persons with necessary qualifications as are required for, or pertinent to, the performance of such services.

1.2 Services Selected.

(a) Each Client Company shall make its initial selection of the services set forth in Section 1.1 above that it agrees to receive from KCS by providing KCS an executed service request in the form set forth in Exhibit II.

(b) By December 1 of calendar year, KCS shall send an annual service proposal to each Client Company listing the services proposed for the next calendar year. By December 31, each Client Company shall notify KCS in writing of the services it elects to receive from KCS during the next calendar year.

1.3 Modification of Services. A Client Company shall have the right from time to time to amend, alter or rescind any activity, project, program or work order provided that (i) such amendment or alteration which results in a material change in the scope of the services to be performed or equipment to be provided is agreed to by KCS, (ii) the cost for the services covered by the activity, project, program or work order shall include any expense incurred by KCS as a direct result of such amendment, alteration or rescission of the activity, project, program or work order, and (iii) no amendment, alteration or rescission of an activity, project, program or work order shall release a Client Company from liability for all costs already incurred by or contracted for by KCS pursuant to the activity, project, program or work order, regardless of whether the services associated with such costs have been completed. Any request made by a Client Company pursuant to this Section 1.3 shall be in writing to KCS and shall take effect on the first day of the first calendar month which is at least thirty (30) days after the day that the Client Company sent the written notice to KCS.

1.4 Service Receipt Limitations.

(a) KeySpan Gas East Corporation d/b/a KeySpan Energy Delivery Long Island ("KED Long Island"), The Brooklyn Union Gas Company d/b/a KeySpan Energy Delivery New York ("KED New York"), Boston Gas Company d/b/a KeySpan Energy Delivery New England ("Boston Gas"), Colonial Gas Company d/b/a KeySpan Energy Delivery New England ("Colonial Gas"), Essex Gas Company d/b/a KeySpan Energy Delivery New England ("Essex Gas") and EnergyNorth Natural Gas Company d/b/a KeySpan Energy Delivery New England ("EnergyNorth") agree that:

(i) They will not incur a charge hereunder except in accordance with their respective state and the rules, regulations and orders of their respective state Public Service Commission or its' equivalent promulgated thereunder; and

(ii) They will not seek to reflect in rates any cost incurred hereunder to the extent disallowed by their respective state Public Service Commission or its' equivalent.

(b) Notwithstanding anything in this Agreement to the contrary, KCS, KED Long Island, KED New York, Boston Gas, Colonial Gas, Essex Gas and EnergyNorth agree that because of the agreements set forth in Section 1.4(a) above, KED Long Island, KED New York, Boston Gas, Colonial Gas, Essex Gas and EnergyNorth will not accept services from KCS hereunder if the cost to be charged for such services differs from the amount of the charges KED Long Island, KED New York, Boston Gas, Colonial Gas, Essex Gas and EnergyNorth are permitted to incur under their respective state and the rules, regulations and orders of their respective state Public Service Commission or its' equivalent promulgated thereunder.

ARTICLE 2 COMPENSATION AND BILLING

2.1 Compensation. As and to the extent required by law, KCS shall provide the services hereunder at cost. Exhibit I hereto sets forth the rules KCS shall use for determining and allocating costs to the Client Companies. KCS shall advise the Client Companies from time to time of any material change in the method of assignment or allocation of costs hereunder, and no such material change shall be made unless and until KCS shall have first given written notice to the SEC not less than sixty (60) days prior to the proposed effective date thereof.

2.2 Invoices. By the 20th day of each month, KCS shall render a monthly bill to each Client Company which shall reflect the billing information necessary to identify the costs charged for the services KCS provided in the preceding month. A Client Company shall pay its invoice by check or through wire transfer to KCS (at the account designated by KCS) within 30 days after receiving the invoice. If an invoice is not paid by the 30th day after the invoice is received (the "Due Date"), the Client Company shall pay interest on any amount outstanding after the Due Date at the rate of two (2) percentage points over the then current prime interest rate as reported in the Wall Street Journal.

ARTICLE 3 TERM AND TERMINATION

3.1 Effective Date. This Agreement shall become effective on the date hereof, subject to receipt of all required federal or state regulatory approvals.

3.2 Termination. This Agreement shall continue in full force and effect with respect to KCS and a Client Company until (a) terminated by the Client Company upon sixty (60) days advance written notice to KCS, or (b) terminated by KCS upon sixty (60) days advance written notice to a Client Company. This Agreement shall also be subject to termination or modification at any time, without notice, if and to the extent performance under

this Agreement may conflict with the Act or with any rule, regulation or order of the SEC adopted before or after the date of this Service Agreement.

ARTICLE 4 MISCELLANEOUS

4.1 Modification. Except as set forth in Article 2 and Sections 1.3, 3.2 and 4.4, no amendment or other modification of this Agreement shall be effective unless made in writing and executed by all of the Parties to this Agreement.

4.2 Notices. Where written notice is required by this Agreement, said notice shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

To KCS:

KeySpan Corporate Services LLC
One MetroTech Center
Brooklyn, New York 11201

To Client Company:

The name and address of the person designated in writing to KCS on the date the Client Company executes this Agreement.

4.3 Accounts. All accounts and records of KCS shall be kept in accordance with the General Rules and Regulations promulgated by the SEC pursuant to the Act, in particular, the Uniform System of Accounts for Mutual Service Companies and Subsidiary Service Companies in effect from and after the date hereof. Upon request, KCS shall permit a Client Company reasonable access to the accounts and records of KCS relating to the services performed for such Client Company hereunder.

4.4 Additional Client Companies. After the effective date of this Agreement, any new or existing direct or indirect subsidiary of KeySpan may become an additional Client Company under this Agreement by becoming a signatory to this Agreement.

4.5 Waiver. Except as otherwise provided in this Agreement, any failure of a Party to comply with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

4.6 No Third Party Beneficiaries. Nothing in this Agreement is intended to confer upon any other person except the Parties any rights or remedies hereunder or shall create any third party beneficiary rights in any person. No provision of this Agreement shall create any rights in any such persons in respect of any benefits that may be provided, directly or indirectly, under any employee benefit plan or arrangement except as expressly provided for thereunder.

4.7 Governing Law This Agreement shall be governed by and construed in accordance with the laws of the State of New York (regardless of the laws that might otherwise govern under applicable principles of conflicts of law).

4.8 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

4.9 Entire Agreement. This Agreement including the exhibits referred to herein or therein, constitute the entire agreement and understanding of the Parties in respect of the transactions contemplated by this Agreement. KCS and each Client Company may enter into non-binding service level agreements (as described more fully in KCS' policies and procedures manual), the purpose of which will be to set forth in general terms the shared service expectations between KCS and the Client Company as a managerial tool to facilitate matching the Client Companies needs to the capabilities of KCS. There are no restrictions, promises, representations, warranties, covenants or undertakings other than those expressly set forth or referred to herein or therein. This Agreement supersedes all prior agreements and understandings between the Parties with respect to the transactions contemplated by this Agreement.

4.10 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect.

4.11 Independent Contractor Status. Nothing in this Agreement shall be construed as creating any relationship between KCS and the Client Companies other than that of independent contractors.

4.12 Assignment. KCS shall not assign this Agreement, or any of its rights or obligations hereunder without the prior written consent of the Client Companies, such consent not to be unreasonably withheld. A Client Company shall not assign this Agreement, or any of its rights or obligations hereunder without the prior written consent of KCS. This Agreement shall inure to the benefit and shall be binding upon the Parties and their permitted successors and assigns.

IN WITNESS WHEREOF, KCS and the Client Companies have caused this Service Agreement to be signed by their respective duly authorized officers as of the date first above written.

KeySpan Corporate Services LLC

By: Lenore F. Puleo

Name: Lenore F. Puleo

Title: Executive Vice President,
Shared Services

KeySpan Corporation

By: _____

Name: Gerald Luterman

Title: Senior Vice President and
Chief Financial Officer

KeySpan Gas East Corporation d/b/a KeySpan
Energy Delivery Long Island

By: _____

Name: Wallace P. Parker Jr.

Title: President and Chief
Operating Officer

The Brooklyn Union Gas Company d/b/a
KeySpan Energy Delivery New York

By: _____

Name: Craig G. Matthews

Title: President and Chief
Operating Officer

KeySpan Generation LLC

By: _____

Name: Anthony Nozzolillo

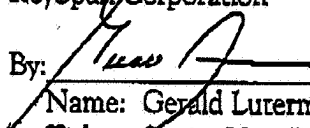
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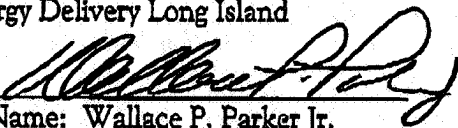
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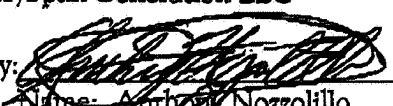
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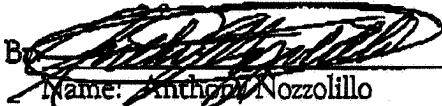
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KeySpan Electric Services LLC

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KeySpan Services, Inc.

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Name: Robert J. Fani
Title: Chief Executive Officer

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Name: H. Neil Nichols
Title: President

KeySpan Ravenswood Services Corp.

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Title: President

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Name: Robert Faillo
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The Houston Exploration Company

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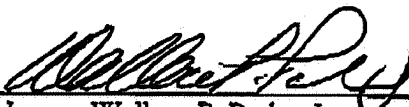
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EXHIBIT I

Description of Services, Cost Accumulation, Assignment, Allocation Methodologies and Policies and Procedures for KCS

A. Description of Services Offered by KeySpan Corporate Services

1. Corporate Affairs

Provide services in support of corporation strategies for managing relationships with federal, state and local governments, agencies and legislative bodies. Formulate and assist with public relations and communications, programs and administration of corporate philanthropic and community affairs programs, creative and production services and media relations.

2. Customer Services

Provide services and systems dedicated to customer service, including meter reading and billing, remittance, credit, collections, customer relations, customer communication and advocacy, call center operations, customer offices and field operations, revenue protection and customer strategy.

3. Environmental Services

Provide consulting, assessment, investigation, remediation and other activities as required by Client Companies to ensure full compliance with applicable environmental statutes and regulations, permitting, licensing, due diligence, waste management, emergency response and laboratory operations.

4. Executive and Administrative

Advise and assist Client Companies in the formulation and execution of general plans and policies of Client Companies. Advise and assist Client Companies as to operations, the issuance of securities, the preparation of filings arising out of or required by the various federal and state securities, business, public utilities and corporation laws, the selection of executive and administrative personnel, the representation of Client Companies before regulatory bodies, proposals for capital expenditures, budgets, financing, acquisition and disposition of properties, expansion of business, rate structures, public relationships and other related matters.

5. Financial Services

Accounting – Perform, advise and assist Client Companies in accounting matters, including the research and development of accounting practices, procedures and controls, the maintenance of the general ledger and related subsidiary systems, the preparation and analysis of financial reports, and the processing of certain transactions such as accounts payable, payroll, customer accounting, cash management and fixed assets.

Auditing – Periodically conduct operating audits and audits of the accounting records and other records maintained by Client Companies and coordinating their examination, where applicable, with that of independent public accountants. The audit staff will report on their examination and submit recommendations, as appropriate, on improving methods of internal control, accounting procedures and operating procedures and policies.

Financial Planning – Advise and assist Client Companies with operating and capital budgets and capital expenditure decisions. Perform economic analysis, short and long-term financial forecasting, merger and acquisition analysis, financing related activities, and activities relating to rating agency relationships for Client Companies and the consolidated entity.

Investor Relations and Shareholder Services – Provide fair and accurate analysis of KeySpan Corporation and its operating subsidiaries and its outlook within the financial community, enhancing KSE's position in the energy industry; balancing and diversifying shareholder investment in KSE through a wide range of activities; providing feedback to KSE and its operating subsidiaries regarding investor concerns, trading and ownership; holding periodic analysts meetings; and providing various operating data as requested or required by investors.

Risk Management – Advise and assist Client Companies in securing requisite insurance, in the purchase and administration of all property, casualty and marine insurance, and workers' compensation, in the settlement of insured claims and in providing risk prevention advice.

Tax – Perform, advise and assist Client Companies in the preparation of Federal, state and local income and franchise tax returns, calculation and accrual of book income taxes, due diligence in connection with acquisitions and performance of tax planning functions. Execute Federal, state and local income and franchise tax returns on behalf of Client Companies.

Treasury/Finance – Provide services related to managing all administrative activities associated with financing, including management of capital structure; cash, credit and risk management activities; investment and commercial banking relationships; and general financing activities, pension, 401K and venture capital investments.

6. Human Resources

Provide central administration for payroll, and employee benefit and pension plans of Client Companies. Perform policy, planning and analysis functions as related to compensation and benefit plans. Advise and assist Client Companies in the administration of such plans and prepare and maintain records of said plans. Direct and administer all medical and health activities of Client Companies.

Advise and assist Client Companies in the formulation and administration of employee staffing and performance evaluation, the design and administration of training programs for employee career development, the design and administration of diversity and EEO programs.

Advise and assist Client Companies in the formulation and administration of employee relations policies and programs relating to the relevant Client Companies' employee and labor relations.

7. Information Technology

Provide the organization and resources for the operation of an information technology function including the development, implementation and operation of a centralized data processing facility and the management of a telecommunications network. This function includes the central processing of computerized applications and support of individual applications in Client Companies. Develop, implement, operate and maintain those computerized applications for Client Companies that can be economically best accomplished on a centralized basis.

Software Pooling – Accept from Client Companies ownership of and rights to use, assign, license or sub-license all software owned, acquired or developed by or for Client Companies which Client Companies can and do transfer or assign to it. Preserve and protect the rights to all such software to the extent reasonable and appropriate under the circumstances; license Client Companies, on a non-exclusive, no charge or at-cost basis, to use all software which KCS has the right to sell, license or sub-license; and, at KCS' expense, permit Client Companies to enhance any such software and license others to use all such software and enhancements to the extent that KCS shall have the legal right to so permit.

8. Legal and Regulatory

Legal and Regulatory - Provide advice and assistance with respect to legal and regulatory issues as well as regulatory compliance, including Act authorizations and compliance, as well as other regulatory and trade matters under other Federal and State laws. Represent the Client Companies before Federal and State courts and regulatory agencies and in arbitration and other dispute resolution proceedings.

Corporate Secretary's Office - Provide all necessary functions required of a publicly held corporation; coordinating information and activities among shareholders, the transfer agent, and Board of Directors; providing direct services to security holders; conducting the annual meeting of shareholders and ensuring proper maintenance of corporate records, as well as other activities related to corporate governance.

9. Operating Services

Facilities Management and Real Estate – Perform planning, administration and operations related to managing Client Company properties, including leasing, renting company properties and permitting and purchase and sale of real property. Administer duplicating services, mailroom operations and print shops. Perform activities related to maintaining company properties, determining requirements and designing occupancy layouts.

Fleet Management – Perform activities related to purchasing, leasing, and maintaining vehicles for Client Companies.

Materials Management and Purchasing – Advise and assist Client Companies in the procurement of real and personal property, materials, supplies and services, conduct purchase negotiations, prepare procurement agreements and administer programs of material control, and provide warehousing and distribution services for Client Companies.

Security – Provide activities to ensure a secure working environment, protect and safeguard company assets, safeguard and transport company receipts, and performance of investigations.

10. Strategic Planning and Corporate Performance

Perform strategic planning, administration and implementation of corporate branding, customer relationship marketing, new business ventures, market research and metrics, market intelligence, marketing competency management and measurement, business improvement and e-commerce as related to all Client Companies - both individually and as a whole. Determine, implement and track corporate performance goals, initiatives and measures.

B. Methods of Allocation

Cost of service will be determined in accordance with the Act and the rules and regulations and orders thereunder, and will include all costs of doing business incurred by KCS, including a reasonable return on capital which will reflect a capitalization of KCS of no more than equity of ten percent (10%), and all associated taxes.

KCS will maintain an accounting system for accumulating all costs on a project, activity or other appropriate basis. The accounting system will use codes to assign charges to the applicable costs center, project, activity and account. Records will be kept by each cost center of KCS in order to accumulate all costs of doing business. Expenses of the department will include salaries and wages of employees, materials and supplies and all other expenses attributable to the department. Labor cost will be loaded for fringe benefits and payroll taxes. To the extent practicable, time records of hours worked by all service company employees, including all officers of such company (i.e., Chief Executive Officer, President and Vice Presidents), will be kept by project and activity. In supplying services, KCS may arrange where it deems appropriate, for the services of experts, consultants, advisors and other persons with necessary qualifications as are required to perform such services. KCS will establish annual budgets for controlling the expenses of each department.

Monthly KCS costs will be directly assigned to Client Companies where possible. Amounts that cannot be directly assigned will be allocated to Client Companies by means of equitable allocation formulae or clearing accounts. To the extent possible, such allocations shall be based on cost-causation relationships. All other allocations will be broad based. In some instances, KCS costs centers which perform work for other service company cost centers may use a

surrogate allocation method that mimics the allocations of the receiver cost center. Each formula will have an appropriate basis such as meters, square footage, etc.

Each Client Company will take agreed upon services and such additional or general or special services, whether or not now contemplated, as are requested from time to time by such Client Company and which KCS concludes it is able to perform. No amendment, alteration or rescission of an activity or project shall release a Client Company from liability for all costs already incurred by, or contracted for, by KCS pursuant to the project or activity regardless of whether the services associated with such costs have been completed.

Allocation percentages will be calculated on historical data where appropriate and updated annually. Due to the unique nature of the management services agreement contract with the Long Island Power Authority (LIPA), the bases of the LIPA (such as revenues, assets, etc. managed on their behalf) will be included, with the applicable Client Company's data, in order to determine appropriate allocations.

The method of assignment or allocation of costs shall be reviewed annually or more frequently if appropriate. If the use of a basis of allocation would result in an inequity because of a change in operations or organization, then KCS may adjust the basis to effect an equitable distribution.

The applications of Service Allocations are described more fully below.

<u>Service Department Or Function</u>	<u>Basis of Allocation</u>
Corporate Affairs	3-point formula (1,2)
Customer Services	# of phone calls # of bills # of meters % of Accounts Receivable # of customers 3-point formula (1,2)
Environmental Services	Clearing Property 3-point formula (1,2)
Executive and Administrative	3-point formula (1,2)
Financial Services	3-point formula (1,2) Property # of Meters # of Bills
General Engineering	Clearing Property 3-point formula (1,2)

Human Resources	# of Employees 3-point formula (1,2)
Information Technology	# of Meters # of employees Revenue Clearing 3-point formula (1,2)
Legal and Regulatory	3-point formula (1,2)
Marketing and Sales	3-point formula (1,2)
Operating Services	sendout # of bills # of meters # of vehicles % of square footage occupied # of employees Clearing 3-point formula (1,2)
Research and Development	3-point formula (1,2)
Strategic Planning and Corporate Performance	3-point formula (1,2)

Definition of Allocation Factors to be used by KCS

% of Accounts Receivable - A ratio based on the Accounts Receivable balance at the end of the year, the numerator of which is for a specific client company and the denominator being all recipient client companies. This ratio will be calculated annually based on actual experience.

Assets - A ratio based on total assets at the end of the year, the numerator of which is for a specific client company and the denominator being all recipient client companies. This ratio will be calculated annually based on actual experience.

of Bills - A ratio based on the number of customer bills processed for the previous calendar year, the numerator of which is for a specific client company and the denominator being all recipient client companies. This ratio will be calculated annually based on actual experience.

Clearing - costs are accumulated and distributed among cost centers based on the type of expenditure in the account. Clearing accounts can be used to accumulate overhead charges (such as fringe benefits) or specific service charges (such as transportation). Distribution of

charges is done on a related basis such as labor costs for fringe benefits or number of vehicles for transportation.

of Customers - A ratio based on the number of customers at the end of the year, the numerator of which is for a specific client company and the denominator being all recipient client companies. This ratio will be calculated annually based on actual experience.

of Employees - A ratio based on the number of full time employees at the end of the year, the numerator of which is for a specific client company and the denominator being all recipient client companies. This ratio will be calculated annually based on actual experience.

of Meters - A ratio based on the number of meters at the end of the year, the numerator of which is for a specific client company and the denominator being all recipient client companies. This ratio will be calculated annually based on actual experience.

Payroll - A ratio based on total wages, salaries, commissions and other forms of compensation paid during the year which are reportable, for federal income tax purposes, as taxable income to the employee, the numerator of which is for a specific client company and the denominator being all recipient client companies. This ratio will be calculated annually based on actual experience.

of Phone Calls - A ratio based on the number of telephone calls handled for the previous calendar year, the numerator of which is for a specific client company and the denominator being all recipient client companies. This ratio will be calculated annually based on actual experience.

Property - A ratio based on gross fixed assets, valued at original acquisition costs, and investments owned in other companies, including construction work in progress, at the end of the year, the numerator of which is for a specific client company and the denominator being all recipient client companies. This ratio will be calculated annually based on actual experience.

Revenue - A ratio based on the revenue for the previous calendar year, the numerator of which is for a specific client company and the denominator being all recipient client companies. This ratio will be calculated annually based on actual experience.

Sendout - A ratio based on the sendout for the previous calendar year, including gas used by the Client entity but excluding transportation customer volumes delivered for another gas supplier, the numerator of which is for a specific client company and the denominator being all recipient client companies. This ratio will be calculated annually based on actual experience.

% of Square Footage Occupied - A ratio based on the square footage of office and non office space occupied, the numerator of which is for a specific client company and the denominator being all recipient client companies. This ratio will be calculated annually based on actual experience.

3-Point Formula (1,2) - This formula consists of three factors. It is designed to be an equitable and feasible tool to act as a surrogate when direct charging or cost causal relationships can not be

established. It is a calculated ratio, which compares each of the formula factors for the Client Company to the total of the same factors for all recipient Client Companies. The factors for (1) would be an equal weighting of Revenue, Property and Payroll (i.e., the "Massachusetts" Formula). The factors for (2) would be an equal weighting of Revenue, Assets, and Expenses. These ratios will be calculated annually based on actual experience.

of Vehicles – A ratio based on the number of vehicles at the end of the year, the numerator of which is for a specific client company and the denominator being all recipient client companies. This ratio will be calculated annually based on actual experience.

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u>X</u>	---
Customer Service	<u>X</u>	---
Environmental Services	<u>X</u>	---
Executive and Administrative	<u>X</u>	---
Financial Services		
Accounting/Auditing	<u>X</u>	---
Financial Planning	<u>X</u>	---
Investor Relations and Shareholder Serv.	<u>X</u>	---
Risk Management	<u>X</u>	---
Tax	<u>X</u>	---
Treasury/Finance	<u>X</u>	---
Human Resources	<u>X</u>	---
Information Technology	<u>X</u>	---
Legal and Regulatory		
Legal and Regulatory	<u>X</u>	---
Corporate Secretary's Office	<u>X</u>	---
Operating Services		
Facilities Management & Real Estate	<u>X</u>	---
Fleet Management	<u>X</u>	---
Materials Management and Purchasing	<u>X</u>	---
Security	<u>X</u>	---
Strategic Planning and Corp Performance	<u>X</u>	---

KeySpan Corporation

By: _____

Name:

Gerald Luterman

Title:

Senior Vice President and
Chief Financial Officer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

Gerald Luterman
Senior Vice President and Chief Financial Officer
One MetroTech Center
Brooklyn, NY 11201

Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u>X</u>	_____
Customer Service	<u>X</u>	_____
Environmental Services	<u>X</u>	_____
Executive and Administrative	<u>X</u>	_____
Financial Services		_____
Accounting/Auditing	<u>X</u>	_____
Financial Planning	<u>X</u>	_____
Investor Relations and Shareholder Serv.	<u>X</u>	_____
Risk Management	<u>X</u>	_____
Tax	<u>X</u>	_____
Treasury/Finance	<u>X</u>	_____
Human Resources	<u>X</u>	_____
Information Technology	<u>X</u>	_____
Legal and Regulatory		_____
Legal and Regulatory	<u>X</u>	_____
Corporate Secretary's Office	<u>X</u>	_____
Operating Services		_____
Facilities Management & Real Estate	<u>X</u>	_____
Fleet Management	<u>X</u>	_____
Materials Management and Purchasing	<u>X</u>	_____
Security	<u>X</u>	_____
Strategic Planning and Corp Performance	<u>X</u>	_____

KeySpan Gas East Corporation d/b/a KeySpan
Energy Delivery Long Island

By: 

Name: Wallace P. Parker Jr.
Title: President and Chief
Operating Officer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

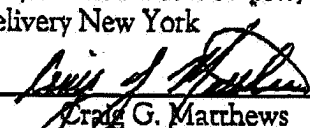
Wallace P. Parker, Jr.
President and Chief Operating Officer
175 East Old Country Road
Hicksville, NY 11801

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u>X</u>	_____
Customer Service	<u>X</u>	_____
Environmental Services	<u>X</u>	_____
Executive and Administrative	<u>X</u>	_____
Financial Services		_____
Accounting/Auditing	<u>X</u>	_____
Financial Planning	<u>X</u>	_____
Investor Relations and Shareholder Serv.	<u>X</u>	_____
Risk Management	<u>X</u>	_____
Tax	<u>X</u>	_____
Treasury/Finance	<u>X</u>	_____
Human Resources	<u>X</u>	_____
Information Technology	<u>X</u>	_____
Legal and Regulatory		_____
Legal and Regulatory	<u>X</u>	_____
Corporate Secretary's Office	<u>X</u>	_____
Operating Services		_____
Facilities Management & Real Estate	<u>X</u>	_____
Fleet Management	<u>X</u>	_____
Materials Management and Purchasing	<u>X</u>	_____
Security	<u>X</u>	_____
Strategic Planning and Corp Performance	<u>X</u>	_____

The Brooklyn Union Gas Company d/b/a KeySpan
Energy Delivery New York

By: 
Name: Craig G. Matthews
Title: President and Chief Operating Officer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

Craig G. Matthews
President and Chief Operating Officer
One MetroTech Center
Brooklyn, NY 11201

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u>X</u>	___
Customer Service	<u>X</u>	___
Environmental Services	<u>X</u>	___
Executive and Administrative	<u>X</u>	___
Financial Services		
Accounting/Auditing	<u>X</u>	___
Financial Planning	<u>X</u>	___
Investor Relations and Shareholder Serv.	<u>X</u>	___
Risk Management	<u>X</u>	___
Tax	<u>X</u>	___
Treasury/Finance	<u>X</u>	___
Human Resources	<u>X</u>	___
Information Technology	<u>X</u>	___
Legal and Regulatory		
Legal and Regulatory	<u>X</u>	___
Corporate Secretary's Office	<u>X</u>	___
Operating Services		
Facilities Management & Real Estate	<u>X</u>	___
Fleet Management	<u>X</u>	___
Materials Management and Purchasing	<u>X</u>	___
Security	<u>X</u>	___
Strategic Planning and Corp Performance	<u>X</u>	___

KeySpan Generation LLC

By: 

Name:

Anthony Nozzolillo

Title:

President and Chief
Operating Officer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

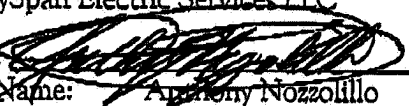
Anthony Nozzolillo
President and Chief Operating Officer
175 East Old Country Road
Hicksville, NY 11801

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u>X</u>	___
Customer Service	<u>X</u>	___
Environmental Services	<u>X</u>	___
Executive and Administrative	<u>X</u>	___
Financial Services		___
Accounting/Auditing	<u>X</u>	___
Financial Planning	<u>X</u>	___
Investor Relations and Shareholder Serv.	<u>X</u>	___
Risk Management	<u>X</u>	___
Tax	<u>X</u>	___
Treasury/Finance	<u>X</u>	___
Human Resources	<u>X</u>	___
Information Technology	<u>X</u>	___
Legal and Regulatory		___
Legal and Regulatory	<u>X</u>	___
Corporate Secretary's Office	<u>X</u>	___
Operating Services		___
Facilities Management & Real Estate	<u>X</u>	___
Fleet Management	<u>X</u>	___
Materials Management and Purchasing	<u>X</u>	___
Security	<u>X</u>	___
Strategic Planning and Corp Performance	<u>X</u>	___

KeySpan Electric Services LLC

By: 
Name: Anthony Nozzolillo
Title: President and Chief
Operating Officer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

Anthony Nozzolillo
President and Chief Operating Officer
175 East Old Country Road
Hicksville, NY 11801

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u>X</u>	<u>—</u>
Customer Service	<u>—</u>	<u>X</u>
Environmental Services	<u>—</u>	<u>X</u>
Executive and Administrative	<u>X</u>	<u>—</u>
Financial Services		
Accounting/Auditing	<u>X</u>	<u>—</u>
Financial Planning	<u>X</u>	<u>—</u>
Investor Relations and Shareholder Serv.	<u>X</u>	<u>—</u>
Risk Management	<u>X</u>	<u>—</u>
Tax	<u>X</u>	<u>—</u>
Treasury/Finance	<u>X</u>	<u>—</u>
Human Resources	<u>—</u>	<u>X</u>
Information Technology	<u>X</u>	<u>—</u>
Legal and Regulatory		
Legal and Regulatory	<u>X</u>	<u>—</u>
Corporate Secretary's Office	<u>X</u>	<u>—</u>
Operating Services		
Facilities Management & Real Estate	<u>—</u>	<u>X</u>
Fleet Management	<u>—</u>	<u>X</u>
Materials Management and Purchasing	<u>—</u>	<u>X</u>
Security	<u>—</u>	<u>X</u>
Strategic Planning and Corp Performance	<u>X</u>	<u>—</u>

KeySpan Services, Inc.

By

Name:

Robert J. Fani

Title:

Chief Executive Officer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

Robert J. Fani
Chief Executive Officer
One MetroTech Center
Brooklyn, NY 11201

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	___	<u>X</u>
Customer Service	___	<u>X</u>
Environmental Services	___	<u>X</u>
Executive and Administrative	<u>X</u>	___
Financial Services		
Accounting/Auditing	<u>X</u>	___
Financial Planning	<u>X</u>	___
Investor Relations and Shareholder Serv.	<u>X</u>	___
Risk Management	<u>X</u>	___
Tax	<u>X</u>	___
Treasury/Finance	<u>X</u>	___
Human Resources	<u>X</u>	___
Information Technology	<u>X</u>	___
Legal and Regulatory		
Legal and Regulatory	<u>X</u>	___
Corporate Secretary's Office	<u>X</u>	___
Operating Services		
Facilities Management & Real Estate	___	<u>X</u>
Fleet Management	___	<u>X</u>
Materials Management and Purchasing	___	<u>X</u>
Security	___	<u>X</u>
Strategic Planning and Corp Performance	<u>X</u>	___

KeySpan Energy Development Corporation

By: 

Name: H. Neil Nichols

Title: President

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

H. Neil Nichols
Chief Executive Officer
One MetroTech Center
Brooklyn, NY 11201

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u>X</u>	___
Customer Service	<u>X</u>	___
Environmental Services	<u>X</u>	___
Executive and Administrative	<u>X</u>	___
Financial Services		
Accounting/Auditing	<u>X</u>	___
Financial Planning	<u>X</u>	___
Investor Relations and Shareholder Serv.	<u>X</u>	___
Risk Management	<u>X</u>	___
Tax	<u>X</u>	___
Treasury/Finance	<u>X</u>	___
Human Resources	<u>X</u>	___
Information Technology	<u>X</u>	___
Legal and Regulatory		
Legal and Regulatory	<u>X</u>	___
Corporate Secretary's Office	<u>X</u>	___
Operating Services		
Facilities Management & Real Estate	<u>X</u>	___
Fleet Management	<u>X</u>	___
Materials Management and Purchasing	<u>X</u>	___
Security	<u>X</u>	___
Strategic Planning and Corp Performance	<u>X</u>	___

KeySpan Ravenswood Services Corp.

By: James K. Brennan
Name: James K. Brennan
Title: President

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

James K. Brennan
President
One MetroTech Center
Brooklyn, NY 11201

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u> </u>	<u> X </u>
Customer Service	<u> </u>	<u> X </u>
Environmental Services	<u> </u>	<u> X </u>
Executive and Administrative	<u> X </u>	<u> </u>
Financial Services		
Accounting/Auditing	<u> X </u>	<u> </u>
Financial Planning	<u> X </u>	<u> </u>
Investor Relations and Shareholder Serv.	<u> X </u>	<u> </u>
Risk Management	<u> X </u>	<u> </u>
Tax	<u> X </u>	<u> </u>
Treasury/Finance	<u> X </u>	<u> </u>
Human Resources	<u> X </u>	<u> </u>
Information Technology	<u> X </u>	<u> </u>
Legal and Regulatory		
Legal and Regulatory	<u> X </u>	<u> </u>
Corporate Secretary's Office	<u> X </u>	<u> </u>
Operating Services		
Facilities Management & Real Estate	<u> X </u>	<u> </u>
Fleet Management	<u> </u>	<u> X </u>
Materials Management and Purchasing	<u> X </u>	<u> </u>
Security	<u> </u>	<u> X </u>
Strategic Planning and Corp Performance	<u> X </u>	<u> </u>

KeySpan Energy Trading Services LLC

By: 

Name: Charles A. Daverio
Title: President

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

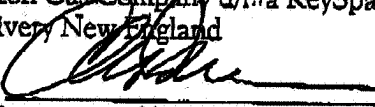
Charles A. Daverio
President
100 Old Country Road
Hicksville, NY 11801

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u>X</u>	___
Customer Service	<u>X</u>	___
Environmental Services	<u>X</u>	___
Executive and Administrative	<u>X</u>	___
Financial Services	<u>X</u>	___
Accounting/Auditing	<u>X</u>	___
Financial Planning	<u>X</u>	___
Investor Relations and Shareholder Serv.	<u>X</u>	___
Risk Management	<u>X</u>	___
Tax	<u>X</u>	___
Treasury/Finance	<u>X</u>	___
Human Resources	<u>X</u>	___
Information Technology	<u>X</u>	___
Legal and Regulatory	<u>X</u>	___
Legal and Regulatory	<u>X</u>	___
Corporate Secretary's Office	<u>X</u>	___
Operating Services	<u>X</u>	___
Facilities Management & Real Estate	<u>X</u>	___
Fleet Management	<u>X</u>	___
Materials Management and Purchasing	<u>X</u>	___
Security	<u>X</u>	___
Strategic Planning and Corp Performance	<u>X</u>	___

Boston Gas Company d/b/a KeySpan Energy
Delivery New England

By: 
Name: Chester R. Messer
Title: President and Chief
Operating Officer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

Chester R. Messer
President and Chief Executive Officer
One Beacon Street
Boston, MA 02108

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u>X</u>	___
Customer Service	<u>X</u>	___
Environmental Services	<u>X</u>	___
Executive and Administrative	<u>X</u>	___
Financial Services		___
Accounting/Auditing	<u>X</u>	___
Financial Planning	<u>X</u>	___
Investor Relations and Shareholder Serv.	<u>X</u>	___
Risk Management	<u>X</u>	___
Tax	<u>X</u>	___
Treasury/Finance	<u>X</u>	___
Human Resources	<u>X</u>	___
Information Technology	<u>X</u>	___
Legal and Regulatory		___
Legal and Regulatory	<u>X</u>	___
Corporate Secretary's Office	<u>X</u>	___
Operating Services		___
Facilities Management & Real Estate	<u>X</u>	___
Fleet Management	<u>X</u>	___
Materials Management and Purchasing	<u>X</u>	___
Security	<u>X</u>	___
Strategic Planning and Corp Performance	<u>X</u>	___

Colonial Gas Company d/b/a KeySpan Energy
Delivery New England

By: 

Name: Chester R. Messer
Title: President and Chief
Operating Officer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

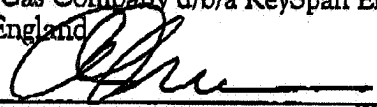
Chester R. Messer
President and Chief Executive Officer
One Beacon Street
Boston, MA 02108

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u>X</u>	_____
Customer Service	<u>X</u>	_____
Environmental Services	<u>X</u>	_____
Executive and Administrative	<u>X</u>	_____
Financial Services		_____
Accounting/Auditing	<u>X</u>	_____
Financial Planning	<u>X</u>	_____
Investor Relations and Shareholder Serv.	<u>X</u>	_____
Risk Management	<u>X</u>	_____
Tax	<u>X</u>	_____
Treasury/Finance	<u>X</u>	_____
Human Resources	<u>X</u>	_____
Information Technology	<u>X</u>	_____
Legal and Regulatory		_____
Legal and Regulatory	<u>X</u>	_____
Corporate Secretary's Office	<u>X</u>	_____
Operating Services		_____
Facilities Management & Real Estate	<u>X</u>	_____
Fleet Management	<u>X</u>	_____
Materials Management and Purchasing	<u>X</u>	_____
Security	<u>X</u>	_____
Strategic Planning and Corp Performance	<u>X</u>	_____

Essex Gas Company d/b/a KeySpan Energy Delivery
New England

By: 
Name: Chester R. Messer
Title: President and Chief
Operating Officer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

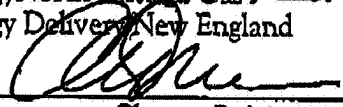
Chester R. Messer
President and Chief Executive Officer
One Beacon Street
Boston, MA 02108

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u>X</u>	___
Customer Service	<u>X</u>	___
Environmental Services	<u>X</u>	___
Executive and Administrative	<u>X</u>	___
Financial Services		___
Accounting/Auditing	<u>X</u>	___
Financial Planning	<u>X</u>	___
Investor Relations and Shareholder Serv.	<u>X</u>	___
Risk Management	<u>X</u>	___
Tax	<u>X</u>	___
Treasury/Finance	<u>X</u>	___
Human Resources	<u>X</u>	___
Information Technology	<u>X</u>	___
Legal and Regulatory		___
Legal and Regulatory	<u>X</u>	___
Corporate Secretary's Office	<u>X</u>	___
Operating Services		___
Facilities Management & Real Estate	<u>X</u>	___
Fleet Management	<u>X</u>	___
Materials Management and Purchasing	<u>X</u>	___
Security	<u>X</u>	___
Strategic Planning and Corp Performance	<u>X</u>	___

EnergyNorth Natural Gas, Inc. d/b/a KeySpan
Energy Delivery New England

By: 
Name: Chester R. Messer
Title: President and Chief
Operating Officer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

Chester R. Messer
President and Chief Executive Officer
One Beacon Street
Boston, MA 02108

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	—	<u>X</u>
Customer Service	—	<u>X</u>
Environmental Services	<u>X</u>	—
Executive and Administrative	<u>X</u>	—
Financial Services		
Accounting/Auditing	<u>X</u>	—
Financial Planning	<u>X</u>	—
Investor Relations and Shareholder Serv.	<u>X</u>	—
Risk Management	<u>X</u>	—
Tax	<u>X</u>	—
Treasury/Finance	<u>X</u>	—
Human Resources	—	<u>X</u>
Information Technology	—	<u>X</u>
Legal and Regulatory		
Legal and Regulatory	<u>X</u>	—
Corporate Secretary's Office	<u>X</u>	—
Operating Services		
Facilities Management & Real Estate	—	<u>X</u>
Fleet Management	—	<u>X</u>
Materials Management and Purchasing	—	<u>X</u>
Security	—	<u>X</u>
Strategic Planning and Corp Performance	<u>X</u>	—

Midland Enterprises, Inc.

By: _____
Name: Robert Faillo
Title: President

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

Robert Faillo
President
30 Pike Street
Cincinnati, OH 45202

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	—	<u>X</u>
Customer Service	—	<u>X</u>
Environmental Services	—	<u>X</u>
Executive and Administrative	<u>X</u>	—
Financial Services		
Accounting/Auditing	<u>X</u>	—
Financial Planning	<u>X</u>	—
Investor Relations and Shareholder Serv.	<u>X</u>	—
Risk Management	<u>X</u>	—
Tax	<u>X</u>	—
Treasury/Finance	<u>X</u>	—
Human Resources	—	<u>X</u>
Information Technology	—	<u>X</u>
Legal and Regulatory		
Legal and Regulatory	<u>X</u>	—
Corporate Secretary's Office	<u>X</u>	—
Operating Services		
Facilities Management & Real Estate	—	<u>X</u>
Fleet Management	—	<u>X</u>
Materials Management and Purchasing	—	<u>X</u>
Security	—	<u>X</u>
Strategic Planning and Corp Performance	<u>X</u>	—

The Houston Exploration Company

By: W. G. Hargett

Name:

William G. Hargett

Title:

President

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

William G. Hargett
President
1100 Louisiana St, Suite 2000
Houston, TX 77002

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u>X</u>	___
Customer Service	<u>X</u>	___
Environmental Services	<u>X</u>	___
Executive and Administrative	<u>X</u>	___
Financial Services	<u>X</u>	___
Accounting/Auditing	<u>X</u>	___
Financial Planning	<u>X</u>	___
Investor Relations and Shareholder Serv.	<u>X</u>	___
Risk Management	<u>X</u>	___
Tax	<u>X</u>	___
Treasury/Finance	<u>X</u>	___
Human Resources	<u>X</u>	___
Information Technology	<u>X</u>	___
Legal and Regulatory	<u>X</u>	___
Legal and Regulatory	<u>X</u>	___
Corporate Secretary's Office	<u>X</u>	___
Operating Services	<u>X</u>	___
Facilities Management & Real Estate	<u>X</u>	___
Fleet Management	<u>X</u>	___
Materials Management and Purchasing	<u>X</u>	___
Security	<u>X</u>	___
Strategic Planning and Corp Performance	<u>X</u>	___

KeySpan Utility Services LLC

By: 

Name: Wallace P. Parker Jr.
Title: President and Chief
Operating Officer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

Wallace P. Parker, Jr.
President and Chief Operating Officer
175 East Old Country Road
Hicksville, NY 11801

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KeySpan Corporate Services LLC all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	<u>X</u>	___
Customer Service	<u>X</u>	___
Environmental Services	<u>X</u>	___
Executive and Administrative	<u>X</u>	___
Financial Services		___
Accounting/Auditing	<u>X</u>	___
Financial Planning	<u>X</u>	___
Investor Relations and Shareholder Serv.	<u>X</u>	___
Risk Management	<u>X</u>	___
Tax	<u>X</u>	___
Treasury/Finance	<u>X</u>	___
Human Resources	<u>X</u>	___
Information Technology	<u>X</u>	___
Legal and Regulatory		___
Legal and Regulatory	<u>X</u>	___
Corporate Secretary's Office	<u>X</u>	___
Operating Services		___
Facilities Management & Real Estate	<u>X</u>	___
Fleet Management	<u>X</u>	___
Materials Management and Purchasing	<u>X</u>	___
Security	<u>X</u>	___
Strategic Planning and Corp Performance	<u>X</u>	___

KeySpan Engineering & Survey Inc.

By: Robert M. Kascsak

Name: Robert M. Kascsak
Title: Chief Executive Officer,
Engineering

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

Robert M. Kascsak
Chief Executive Officer
175 East Old Country Road
Hicksville, NY 11801

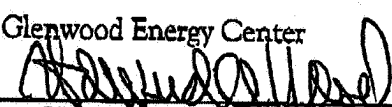
Form of Initial Service Request

EXHIBIT II

The undersigned requests from KENG all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	—	<u>X</u>
Customer Service	—	<u>X</u>
Environmental Services	—	<u>X</u>
Executive and Administrative	<u>X</u>	—
Financial Services	—	—
Accounting/Auditing	<u>X</u>	—
Financial Planning	<u>X</u>	—
Investor Relations and Shareholder Serv.	<u>X</u>	—
Risk Management	<u>X</u>	—
Tax	<u>X</u>	—
Treasury/Finance	<u>X</u>	—
Human Resources	<u>X</u>	—
Information Technology	<u>X</u>	—
Legal and Regulatory	—	—
Legal and Regulatory	<u>X</u>	—
Corporate Secretary's Office	<u>X</u>	—
Operating Services	—	—
Facilities Management & Real Estate	—	<u>X</u>
Fleet Management	—	<u>X</u>
Materials Management and Purchasing	—	<u>X</u>
Security	—	<u>X</u>
Strategic Planning and Corp Performance	<u>X</u>	—

KeySpan – Glenwood Energy Center

By: 
 Name: Howard A. Kosel
 Title: President

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

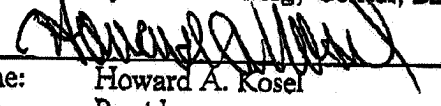
Howard A. Kosel
 President
 201 Old Country Road
 Melville, NY 11747

EXHIBIT II
Form of Initial Service Request

The undersigned requests from KENG all of the services selected below. The services requested hereunder shall commence on January 1, 2002 and be provided through December 31, 2002.

<u>Service</u>	<u>Yes</u>	<u>No</u>
Corporate Affairs	—	<u>X</u>
Customer Service	—	<u>X</u>
Environmental Services	—	<u>X</u>
Executive and Administrative	<u>X</u>	—
Financial Services	—	—
Accounting/Auditing	<u>X</u>	—
Financial Planning	<u>X</u>	—
Investor Relations and Shareholder Serv.	<u>X</u>	—
Risk Management	<u>X</u>	—
Tax	<u>X</u>	—
Treasury/Finance	<u>X</u>	—
Human Resources	<u>X</u>	—
Information Technology	<u>X</u>	—
Legal and Regulatory	—	—
Legal and Regulatory	<u>X</u>	—
Corporate Secretary's Office	<u>X</u>	—
Operating Services	—	—
Facilities Management & Real Estate	—	<u>X</u>
Fleet Management	—	<u>X</u>
Materials Management and Purchasing	—	<u>X</u>
Security	—	<u>X</u>
Strategic Planning and Corp Performance	<u>X</u>	—

KeySpan - Port Jefferson Energy Center, LLC

By: 
Name: Howard A. Kosel
Title: President

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

Howard A. Kosel
President
201 Old Country Road
Melville, NY 11747

KEYSPAN CORPORATE SERVICES LLC

SERVICE AGREEMENT

AMENDMENT FOR KEDNE

The January 1, 2002 Service Agreement between KeySpan Corporate Services LLC ("KSC"), a New York limited liability company, and Boston Gas Company, Colonial Gas Company, and Essex Gas Company, each d/b/a KeySpan Energy Delivery New England (the "KEDNE Companies") is hereby amended as of that same date to include the following services to be provided by KSC to the KEDNE Companies:

Gas Supply

Manage the gas procurement, planning, nominations, and transportation of gas for KEDNE Companies. This includes all functions related to the supply and transportation of natural gas to our customers; including management of gas contracts and gas inventories, review and processing of invoices, projection of send-out requirements, billings to third parties and off-system sales, and the maintenance of a reliable and least cost portfolio of resources.

Gas Operations

Management and Administrative Services

Provide services for the management and administration of KEDNE Companies' gas operations including but not limited to the management and supervision of construction services, field coordinators, maintenance of service facilities and processing of field requests.

Operations Support Services

Provide administrative and operational support services including, but not limited to the handling of incoming dispatch calls related to field service orders and generate orders for gas odor, emergency response, meter work, and appliance repair for KEDNE Companies.

Provide administrative and operational support services including, but not limited to managing leaks by recording, tracking, and reporting known system leaks on the distribution and transmission system for KEDNE Companies. This service shall be conducted with the objective of ensuring that all DOT and state regulatory requirements are met that pertain to the proper documentation and reporting to the appropriate authorities.

Provide administrative and operational support services including, but not limited to receiving and forwarding all DigSafe excavator notifications to the proper KEDNE Company operations center and dispatch emergency DigSafe notifications to the proper KEDNE Company operating center. This service shall be conducted with the objective of ensuring that all DOT and state regulatory requirements are met that pertain to a one-call damage prevention program.

Purchase, repair and refurbish meters for KEDNE Client Companies.

Provide administrative and operational support services including, but not limited to, gas operations performance measurement as well as assistance in the preparation and analysis of operating and capital expenditure budget and forecasts of KEDNE Companies.

Field Services

Perform all Field Service functions relating to the field service order generation and billing to the customer, manage the meter inventory control and reporting, and maintain order history data for KEDNE Companies.

T&D System Planning Services

Provide KEDNE Companies with services and systems dedicated to maintaining the changes and additions to the pipeline as it pertains to mapping, reporting, and providing location and demand data for network analysis. This also includes the analysis and evaluation of load data for large customers.

Gas Marketing and Sales Services

Provide marketing and sales services and systems.

Application of Service Allocations for these services.

Service Department or Function

Basis of Allocation

Gas Supply

**3 POINT FORMULA
SENDOUT**

Gas Operations: Administrative Services

3 POINT FORMULA

Support Services

**3 POINT FORMULA
OF METERS**

Field Services

**3 POINT FORMULA
METERS**

T&D System Planning Services

**3 POINT FORMULA
PROPERTY**

Gas Marketing and Sales Services

3 POINT FORMULA
CUSTOMERS

IN WITNESS WHEREOF, KSC and the KEDNE Companies have caused this Amendment to be signed by their respective duly authorized officers as of the date first set forth above:

KeySpan Corporate Services LLC

By: *Lenore F. Pulco*

Lenore F. Pulco
Executive Vice President,
Shared Services

Boston Gas Company d/b/a
KeySpan Energy Delivery New England

By: *Nickolas Stavropoulos*

Nickolas Stavropoulos
President and
Chief Operating Officer

Colonial Gas Company d/b/a
KeySpan Energy Delivery New England

By: *Nickolas Stavropoulos*

Nickolas Stavropoulos
President and
Chief Operating Officer

Essex Gas Company d/b/a
KeySpan Energy Delivery New England

By: *Nickolas Stavropoulos*

Nickolas Stavropoulos
President and
Chief Operating Officer